

DI - Debates between Public sector Vs Private sector

Once upon a time, when only the public sector was prevalent in the economy. At present, many countries have adopted the policy of privatisation through which private sector is also gaining importance. For the progress and development of many countries both the sectors must go hand in hand as only one sector can't lead the country in the path of success.

The private sector comprises of business which is owned, managed and controlled by individuals.

On the contrary public sector comprises of various business enterprises owned and managed by government. Such organisations are either fully or partly owned by the center or state and some under the separate ministry. Some of the public sector organisations are set up by a special act of parliament.

A cut-throat competition between both the sectors, to prove itself better over the other sector.

Basis for comparison

Public sector

Private sector

Meaning

The section of a nation's economy which is under the control of govt, whether it is a central, state or local is known as the Public sector.

The section of a nation's economy which is owned & controlled by private companies or individuals.

Objective

To serve the citizens of the country

Earning profit

Raises

Public revenue money from like tax, duty, penalty etc.

Issuing shares and debentures or by taking loan.

Areas

Police, Army, Mining, health, electricity, education, Transport, Agriculture, Banking, Insurance etc.

Finance, Technology, Mining, Transport, Education, Banking etc.

Benefits

Job security of working, Retirement benefits, Allowances, Prerequisites etc.

Good salary, Package, competitive environment, incentives

Basis of Promotion

Seniority

Merit

Job stability

Yes

No.